Expansion of Bhilai and Bokaro Steel Plants

710. SHRI PARVATHANENI UPENDRA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether there had been any progress in the recent past in the expansion projects of Bhilai and Bokaro Steel Plants;

(b) whether it is a fact that there has been a sharp escalation in the costs of the expansion plans of these plants; and

(c) if so, what are the reasons therefor and what are the latest estimates of costs of expansion projects of these plants?

THE MINISTER OF STEEL AND MINES (SHRI M. L. FOTEDAR): (a) Yes, Sir.

In the Bhilai Steel Plant while all the units in the Phase I of the Expansion Project already stand completed and commissioned, out of the Phase II units Blast Furance No. 7 is scheduled for blowing in September, 1987. Coke-oven Battery No. 9 and Bye Product Plant are likely to be commissioned by January, 1988. Bulk of the civil and erection works have already reached near completion, having achieved the level of 92 per cent and above. The Expansion is expected to be completed by September 1988 with the commissioning of Second Normalising Furnance and Vacuum Arc Degassing Unit.

As regards 4 MT Expansion of Bokaro Steel Plant also, the civil and erection works have reached a near completion stage. While the Benzol Rectification Plant, Additional Coil Yard, and the 7th Rotary Kiln Unit have already been completed in December 1986, Cold Rolling Mill and Additional Oxygen facilities are likely to be commissioned in February 1988 and May 1988 respectively.

(b) Yes, Sir. The Expansion of Bokaro which was originally estimated to cost Rs. 947 crores in 1974 is anticipated to cost Rs. 2070 crores. The Bhilai Expansion was originally estimated to cost Rs. 937 crores in 1974 and is now likely to cost Rs. 2260 crores.

(c) The increase in cost has been mainly on account of the escalation in the price of the plant and equipment and other items of work, provision of additional facilities and changes in the quantity of work due to detailed engineering, as well as due to increase in interest, duties and taxes during the life of the project.

Renovation of Haldia Fertilizer Plant

711. SHRI PARVATHANENI UPENDRA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that the Haldia Fertilizer Plant is producing any fertilizers since October, 1986;

(b) if so, the reasons therefore;

(c) whether there is any proposal to seek Japanese help for reactivisation and renovation of the Haldia Fertilizer Plant; and

(d) if so, the details trereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILIZERS IN THE MINISTRY OF AGRICULTURE (SHRI R. PRABHU): (a) and (b) Haldia Fertilizer Project is still a project and has not started commercial production. As there were frequent equipment problems during the commissioning of the plant, Government decided in October, 1986 to stop commissioning activities.

(c) and (d) There is no proposal at present to avail of Japanese credit for the end-to-end survey, for which Government has released Rs. 3 crores as free foreign exchange for engaging consultants.

Drought Situation and srortage of water

712. SHRI PARVATHANENI UPENDRA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government are